


|  <div style="text-align: center;"> Financial Assistance Award DENALI COMMISSION 510 L Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov </div> | | Award Number | 01479-00 | | |
|---|------------------------------|---|---|---------------------------|-----------------------|
| | | Award Title | Togiak Rural Power System Upgrade | | |
| | | Performance Period | September 1, 2015 through December 30, 2018 | | |
| Authority 112 Stat 1854 | CFDA Number 90.100 | <u>Recipient Organization & Address</u> ALASKA VILLAGE ELECTRIC COOP INC 4831 Eagle St Anchorage, AK 99503-7431 Phone: 907-565-5358 Recipient DUNS # 044597615 TIN # 920035763 | | | |
| Denali Commission Finance Officer Certification | | | | | |
| <u>Cost Share Distribution Table</u> | | | | | |
| Accounting Code | New Funding | | Prior Period Funding | | Total |
| | Denali Commission | Other Contributors | Denali Commission | Other Contributors | |
| 95670000 | \$5,604,141.00 | | \$0.00 | | \$5,604,141.00 |
| | | | | | |
| | | | | | |
| | | | | | |
| Alaska Village Electric Coop | | \$1,265,481.00 | | \$0.00 | \$1,265,481.00 |
| | | \$0.00 | | \$0.00 | \$0.00 |
| | | \$0.00 | | \$0.00 | \$0.00 |
| | | \$0.00 | | \$0.00 | \$0.00 |
| | | \$0.00 | | \$0.00 | \$0.00 |
| Total | \$5,604,141.00 | \$1,265,481.00 | \$0.00 | \$0.00 | \$6,869,622.00 |
| This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding. | | | | | |
| | | | | | |
| Signature of Authorized Official - Denali Commission Electronically Signed | | Typed Name and Title Mr. Joel Neimeyer Federal Co-Chair | | Date 09/21/2015 | |

AWARD ATTACHMENTS

ALASKA VILLAGE ELECTRIC COOP INC

01479-00

1. Award Conditions

21 September 2015

**Financial Assistance Award Terms and Conditions
Between the Denali Commission and Alaska Village Electric Cooperative
For Togiak Rural Power System Upgrade
Award No. 1479**

1. Project Summary

- a. Scope of Work: Design and construction of a new power plant in Togiak, Alaska.
- b. Deliverables: Completed power plant.
- c. Budget: The Commission is making \$5,604,141 available for the project via this Financial Assistance Award (FAA). This amount includes direct and indirect costs. Other partners on the project include Alaska Village Electric Cooperative (AVEC), who is contributing \$1,265,481 at this time. All Commission funding is intended to be used for the scope of work identified in this FAA only. Any funds remaining after the full scope of work has been completed shall be returned to the Denali Commission.
- d. Delivery Method: AVEC will perform some work with in-house resources and utilize design and construction contractors for the remainder.
- e. Performance Period: The Period of Performance for this FAA is September 1, 2015 through December 30, 2018. In accordance with 2 CFR 200.309 Recipients can only incur obligations or costs against this FAA during the Period of Performance, unless specifically authorized in the Special Provisions (Section 13 of this document). If a project cannot be completed within the approved Period of Performance, an extension request must be made in accordance with the Commission's *Recipient Guidelines and Requirements* (RGR) document dated July 2015, available at www.denali.gov.

More detailed information on scope, deliverables, budget, funding, project delivery method and/or management plan, and schedule are included in Attachment A dated September 21, 2015.

2. Project Reporting and Commission Site Visits

Progress reports and a close-out report are required under this FAA. Progress Reports shall be submitted at the frequency stipulated in the Special Provisions. The Closeout Report shall be completed within 90-days of the end of the Period of Performance. All reports must be submitted using the Denali Commission's on-line Project Database System, available at www.denali.gov/dcpdb.

Commission staff or agents of the Commission may make visits to the project site and/or home office to monitor progress during and/or after the Period of

Performance. The Recipient shall coordinate and make information available as necessary to facilitate any such site visits.

Refer to the *Recipient Guidelines and Requirements* document for further information related to reports and site visits.

3. Payments

Payments under this FAA will be made in accordance with 2 CFR 200.305 by electronic transfer in response to a Standard Form 270 (SF-270) "Request for Advance or Reimbursement", submitted by the Recipient. If Pre-award Costs and/or Advance Payments are authorized under this FAA, the Special Provisions will indicate so. Requests for reimbursements may be made as needed. Refer to the *Recipient Guidelines and Requirements* document for further information about submitting SF-270's.

4. Modifications

In accordance with 2 CFR 200.308, the Recipient shall report deviations in project scope, budget, delivery method, management plan, schedule, or changed site conditions to the Program Manager. The Recipient shall also submit written requests to the Program Manager for the replacement of Key Staff identified in the Special Provisions. Refer to the *Recipient Guidelines and Requirements* document for further information about modifying a Financial Assistance Award.

5. Financial Management, Record Keeping, Internal Controls, and Audits

The Recipient must have financial management and record keeping systems that are consistent with 2 CFR 200.302. If the Recipient is a State organization it must expend and account for FAA funds in accordance with applicable State laws and procedures for expending and accounting for the State's own funds.

The Recipient must establish and maintain effective internal controls with respect to this FAA that are consistent with 2 CFR 200.303.

In accordance with 2 CFR 200.501, Recipients that expend \$750,000 or more of federal funds in a year shall have a single or program-specific audit conducted for that year.

Refer to the *Recipient Guidelines and Requirements* document for further information about financial management, record keeping, internal controls and audits.

6. Direct and Indirect Costs

All direct costs must be allowable and reasonable. Indirect costs must be allocable based on accepted accounting policies and practices. Indirect costs must be specifically included as a line item or identified with appropriate notes in the approved FAA budget. Refer to 2 CFR 200 Subpart E (Cost Principles) and the *Recipient Guidelines and Requirements* document for further information on direct and indirect costs.

7. Sub-Awards and Contracts

All sub-awards and contracts issued by the Recipient under this FAA must comply with 2 CFR 200.331 and Appendix II to 2 CFR 200. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

8. Acknowledgement of Support

The Recipient shall display a sign that acknowledges the Government's support for construction project(s) supported in whole or in part with Denali Commission funds. The Recipient shall include the Denali Commission as a financial contributor and project/program partner in all media correspondence related to all project(s) supported by the Denali Commission. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

9. Real and Personal Property

In accordance with 2 CFR 200.311, 313, and 316 the Denali Commission may require the Recipient to execute a security interest or other public notice of record to indicate that real or personal property acquired or improved, in whole or in part, with Federal funds is subject to a Federal interest. Any such requirements under this FAA, including post project reporting in accordance with 2 CFR 200.329, will be stipulated in the Special Provisions.

10. Conflict of Interest

In accordance with 2 CFR 200.112, the Recipient must disclose in writing any potential conflicts of interest to the Commission. In addition, 2 CFR 200.318 requires that Recipients maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award, and administration of contracts. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

11. Denali Commission Policies

Recipients may be required to comply with certain published Denali Commission policies. Any such requirements under this FAA will be stipulated in the Special Provisions. Refer to the *Recipient Guidelines and Requirements* document for further information on individual policies.

12. Laws and Regulations

Recipients are required to comply with all applicable Federal laws and regulations. General categories of potentially applicable laws and regulations are summarized below. Refer to the *Recipient Guidelines and Requirements* document for further information on specific laws and regulations that may apply.

- a. Debarment and Suspension
- b. Whistle-blower Protection
- c. Non-Discrimination
- d. Lobbying and Propaganda
- e. Environmental
- f. Drug-Free Workplace
- g. Travel
- h. Human Rights
- i. Animal Welfare
- j. Executive Compensation

13. Other Provisions

- a. The United States expressly disclaims any and all responsibility or liability to the Recipient or sub-recipients for the actions of the Recipient or sub-recipients resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this FAA, including sub-awards, contracts, or sub-contracts issued in connection with this FAA.
- b. To the maximum extent practicable, considering applicable laws, the Recipient shall accomplish the project contemplated by this FAA using local Alaska firms and labor.
- c. All terms and conditions contained in this FAA apply to any sub-recipient under this FAA.
- d. Failure to comply with the provisions of this FAA or maintain satisfactory performance may result in additional FAA conditions pursuant to 2 CFR 207. This includes but is not limited to: temporarily withholding of payments pending the correction of the deficiency; disallowance of project costs; wholly or partially suspending or terminating the FAA. In addition, failure to comply with the provisions of this FAA may also have a negative impact on the Recipient's eligibility for future Federal awards.

14. Special Provisions

Progress Reports: Shall be submitted on a quarterly basis. The first reporting period is September 1, 2015 to December 30, 2015, and quarterly thereafter in accordance with the Commission's *Recipient Guidelines and Requirements*.

Key Staff:
Forest Button, AVEC Project Manager

Federal Property Interests and Reporting Requirements: Apply per 2 CFR 200.329. Reporting will be biennially, to begin at the end of the performance period.

Denali Commission Policies:

- Sustainability
- Cost Containment
- Competitive Bid

Bonds and Insurance: The contract awarded by AVEC for construction of the power plant will include payment and performance bonds per existing AVEC policy. The Denali Commission shall be named as an Additional Insured on AVEC's Liability Insurance Policy, as well as the Liability Insurance Policy of the General Contractor retained by AVEC to construct the power plant.

15. Program Manager, Financial Manager & Other Contact Information

| Denali Commission | Alaska Village Electric Cooperative |
|---|---|
| Jodi Fondy Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3011 Fax: 907-271-1415 E-mail: jfondy@denali.gov | Meera Kohler Project Manager 4831 Eagle Street Anchorage, AK 99503 Phone : 907-561-1818 Fax : 907-562-4086 E-mail: mkohler@avec.org |
| Monica Armstrong Grants Administrator 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: marmstrong@denali.gov | Meera Kohler Financial Manager 4831 Eagle Street Anchorage, AK 99503 Phone : 907-561-1818 Fax : 907-562-4086 E-mail: mkohler@avec.org |

**Financial Assistance Award Terms and Conditions - Attachment A
Between the Denali Commission and Alaska Village Electric Cooperative
For Togiak Rural Power System Upgrade**

- a. Scope of Work: Design and construct a power plant and associated infrastructure in Togiak, Alaska. The project includes a new power plant building, diesel generators, automated switchgear and controls with the ability to integrate local renewable energy resources in the future, and distribution upgrades. A future transmission intertie between Togiak and Twin Hills will be considered in the design. The Denali Commission shall review and approve the schematic design documents before AVEC proceeds with final design. AVEC will prepare an Environmental Assessment for the project during the design phase that is consistent with NEPA guidelines and the Commission's Recipient Guidelines and Requirements.

Construction activities may begin after Commission review and approval of the final design and environmental documents. AVEC shall secure all required construction permits and construct the new facilities.

- b. Deliverables:

- Design documents
- Draft Environmental Assessment
- New power plant
- Final project report

- c. Budget: Project budget and funding information is summarized in the table on page 2. The Commission is making \$5,604,141 available via this Financial Assistance Award (Award). This amount is for design/permitting activities, and a portion of the construction costs. At present, the project construction phase is not fully funded. It is anticipated that sources will be identified in FY2016 to fund the \$918,198 shortfall.
- d. Delivery Method: AVEC will complete the power plant design via a contract with CRW Engineers. Portions of the construction will be completed by AVEC using in-house force account resources, but the majority of the work will be performed by a contractor selected through a competitive Bid/RFP process.
- e. Schedule: Final design will be completed in the first quarter of 2017. Construction is scheduled to begin in the third quarter of 2017 and be complete in 2018.

| line | ITEM | BUDGET | | FUNDING | | | |
|------|--------------|-------------|--------------|-------------|-------------------------|-----------------|-----------|
| | | | | This Action | | Total Available | Shortfall |
| | | Amount | Reference | Commission | AVEC Match ^a | | |
| 1 | Design | \$225,000 | see note b | \$225,000 | 0 | \$225,000 | \$0 |
| 2 | Construction | \$7,122,000 | Sep 2014 CDR | \$5,061,925 | \$1,265,481 | \$6,327,406 | \$794,594 |
| 3 | Indirect | \$440,820 | see note c | \$317,216 | n/a | \$317,216 | \$123,604 |
| 4 | Totals | \$7,787,820 | | \$5,604,141 | \$1,265,481 | \$6,869,622 | \$918,198 |

| | | |
|---|--|-------------|
| 5 | Total Commission Funding For Project Including This Amendment | \$5,604,141 |
| 6 | Total Match For Project To Date After Executing This Amendment | \$1,265,481 |

| |
|--------------------|
| Total Award Amount |
|--------------------|

| | | | |
|---|-------------|-------------|-------------|
| 7 | Grand Total | \$6,869,622 | \$5,604,141 |
|---|-------------|-------------|-------------|

Notes:

a. AVEC match is 20% of the construction cost of the AVEC facilities

b. August 2015 estimate by AVEC/CRW

c. 6% of Commission Design and Construction Funding; AVEC does not have a federally negotiated indirect rate